World Bank's advice on use of external borrowings

363. SHRI KAPIL VERMA:

SHRIMATI SURYAKANTA JAYAWANTRAO PATIL:

SHRIMATI SATYA BAHIN:

Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has advised India against using external borrowings to offset any export shortage or to stimulate growth to ensure that debt service remains within sustainable limits; and

(b) if so, what is Government's reaction thereto?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) and (b) No such formal advice has been received from the World Bank in this regard. The Government has however been following a prudent policy of external borrowings. The level of country's external indebtedness and the likely burden of debt servicing are constantly kept in view to ensure that the debt servicing liability remains within pruddent limits.

Export of Peacock tail feathers

364. SHRI RAOOF VALIULLAH : Will the Minister of COMMERCE be pleased to state:

(a) whether the Indian Board for Wildlife had recommended a quota of one crore Peacock tail feathers for export in view of the fact that the Zoological Survey of India had informed on 31st January 1976 that the estimated number of Peacocks was 2 million and that each Peacock on an average sheds 15 feathers annually ;

(b) what are the reasons for reducing the annual export ceiling to 0.5 crore when the availability is over 31.60 crores;

(c) whether Government propose to restore the ceiling to one crore as specifically recommended by the Board for Wildlife to provide livelihood to people of weaker sections who pick up these shedded tail feathers from the forests; and

(d) the date since when the export of Peacock tail feathers was allowed and whether Government propose to continue the same to fetch precious foreign exchange ?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU) : (a) Indian Board for Wild Life in its meeting held on 31-1-1976 had decided to maintain the quota for export of Peacock Tail Feathers for the year 1976-77 at 1 crore i.e. at the same level at which it was during 1975-76. This decision was based on the fact that Zoological Survey of India had estimated that the number of Peacocks in Rajasthan and Gujarat was nearly 2 millions and also that each Peacock on an average sheds 158 feathers annually.

(b) The matter regarding export quota for Peacock Tail Feathers was again discussed in the second meeting of the Standing Committee on IBWL on 1st July 1982 and it was decided to reduce the annual quota for export of Peacock Tail Feathers to 0.5 crores only. The above decision was based on the recommendation of the Export Committee of IBWL on birds. There were inherent mistakes in the report of ZSI. They had calculated the total production of Peacock Tail Feathers by multiplying the number of feathers shed by Peacocks every year with estimated number of Peacocks in the country. The basic fact that the only male Peacocks produce exportable quality Peacock Tail Feathers seems to remain unconsidered. The male; female ratio in Peacocks varies from 1:3 to 1:5. Therefore the estimated production would be atleast 3 to 5 times less.

(c) and (d) PTFs are being exported for more than 25 years. We have data since '73-74. The ceiling limits are steadily coming down. The present quota of PTF is 60 lakh pieces. This is however subject to change on environmental considerations. There is no proposal to restore the ceiling to one crore in the ensuing Policy.

Violation of RBI guidelines by Foreign Banks

365. SHRI RAOOF VALIULLAH : Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news-item which appeared in 'Business Standard' of 13th August 1989 to the effect that almost all the foreign banks operating in India are violating Reserve Bank of India guidelines on acceptance of short-term deposits and in the process making huge profits which are being repatriated in foreign exchange; if so whether Government have issued any instructions to rectify the situation;

(b) whether it is a fact that foreign banks accept surplus funds from big public sector undertakings in the name of funds management schemes and if so what is the rate of interest paid by the banks;

(c) whether RBI has instructed public Sector Undertakings not to patronise foreign banks which are earning foreign exchange by using rupee funds; and

(d) what is the minimum lock-in period for such deposits and whether this is being flouted by Public Sector Undertakings and if so what action Government have taken against the undertakings ?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) to (d) The information is being collected and to the extent available and permissible will be laid on the Table of the House.

Report of Abid Hussain Committee on Textile Policy

366. SHRI RAOOF VALIULLAH : Will the Minister of TEXTILES be pleased to state:

(a) whether the Abid Hussain Committee which was constituted to to review the Textile Policy has submitted its report; if so what are its salient features and whether Government have initiated action on the basis of this report;

(b) whether the report has recommended to shift the burden of excise duty on textile yarn from weavers and processor-users to yarn manufacturers; if so whether Government have accepted the Committee's recommendations;

(c) whether the Deputy Prime Minister had assured the Art Silk Manufacturers Association in Surat during his election campaign that Government are considering the proposal of the Committee; and

(d) if so, when a decision is likely to be taken ?

THE MINISTER OF TEXTILES WITH ADDITIONAL CHARGE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV) : (a) to (d) The Abid Hussain Committee set up by the Government to review the progress of the implementation of Textile Policy 1985 has submitted its report in February, 1990. Recommendations made by the Committee in its report are under consideration of the Government.

Export of Cotton

367. SHRI RAOOF VALIULLAH : Will the Minister of TEXTILES be pleased to state;

(a) whether Government are aware of the bumper crop of cotton